

PHILIP MORRIS INCORPORATED
INTER-OFFICE CORRESPONDENCE
100 Park Avenue, N.Y. 17, N.Y.

To: . Dr. R. N. DuPuis
From: . George Weissman
Subject: . New Parliament Study by Elmo Roper

Date: August 3, 1956

Attached is your copy of the large study which we undertook in connection with New Parliament.

Your attention is invited to the section entitled "Discussion".

In our view the following points are the crucial ones:

With Respect to New Parliament

The survey confirms that the most promising of the alternatives tested is the blue package with the recessed cigarettes at the 2¢ premium. This is undoubtedly the most important conclusion of the survey.

The survey indicates that the old Parliament had a very high-grade reputation among both its own smokers and among the smokers of other brands, with its main stated weakness - price.

With Respect to Marlboro

The survey indicates that:

1. Among filter tip smokers Marlboro has an outstanding reputation for good flavor, equalled only by Winston.
2. The surface design and structure of the Marlboro box are extremely well regarded even by non-Marlboro smokers. If the box puts a ceiling on the brand, such a ceiling would seem to be very far above its present volume.
3. There is a suggestion, but by no means proof, that the 80mm. length is not necessarily an asset among king size smokers.
4. If Marlboro has any other weaknesses that would put a ceiling on its market share, it would appear that they must lie in the area of brand personality.

With Respect to Philip Morris

The possibility is reintroduced that a "product acceptability" problem may have been a major cause of the inability of the Philip Morris brand to hold its share of its market during the last few years. During the

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Mayfair period Philip Morris has again demonstrated its ability to attract more than its share of "triers" and its relative weakness in retaining its smokers. The package change was favorably received, 9-1, and the blend change, less noticed, by 3-1.

General

The survey points up the fact that the powerful stimulus to the filter tip market is being created by the emergence of filter tips from a specialized metropolitan, sophisticated market to a broad national market encompassing all segments of the population as to geographical area, sex, race and economic groupings. The survey, although conducted primarily in urban areas, reflects very well the percentages of total industry enjoyed by Regular, King Size and Filter Tip cigarettes as shown through our sales statistics.

Another implication of the survey, which will bear very close watching, particularly in relationship to New Parliament, is the fact that possible variations in price may enhance the salability of a product. In relation to this, it should be borne in mind that the greatest period of growth for the Philip Morris brand was during the depression years when it had a price differential. This is not meant as an absolute statement, but rather, as yet, an unproved hypothesis that may have implications of importance for the future.

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JUL 3 1956
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